

Preserving the past in Oelwein

Since Oelwein's rail heyday, Transco Railway Products employees have witnessed a decline in rail service culminating in the potential loss of the area's sole remaining rail line. Since Transco is in the business of rehabilitating rail cars, when the Union Pacific Railroad (UP) indicated the line was a potential abandonment candidate, Transco's future in Oelwein was in jeopardy. To control the fate of the location, Transco began discussions in 1995 with UP concerning purchasing the Dewar to Oelwein rail segment.

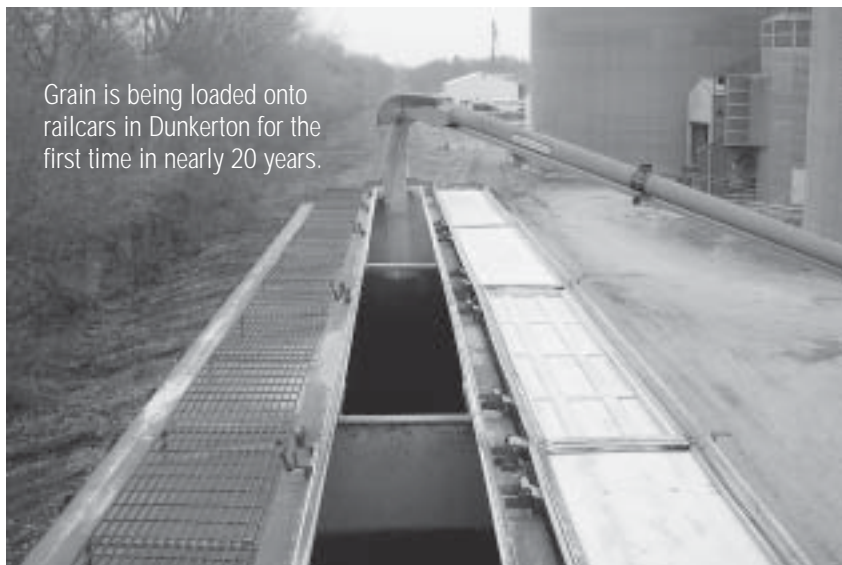
In October 2003 Transco finalized the purchase of much of the track in Oelwein, as well as the 23-mile line from Oelwein to Dewar. Transco has contracted with the Iowa Northern Railway to maintain the line and provide service to Oelwein. The newly established railroad was dubbed the D & W Railroad in remembrance of two Transco employees who lost their lives on the job.

Although the probability of Oelwein returning to the former rail service levels is not likely, a rich history is now partially preserved. Forty years ago Oelwein was the hub of the Chicago Great Western Railway (CGW) system. At one time, six lines radiated out from Oelwein, and the yard had 25 miles of track. The CGW was an aggressive and innovative company, operating 1,500 miles of lines from Chicago to the Twin Cities, Omaha and Kansas City, with Oelwein as the hub and headquarters for operations. CGW was one of the pioneers in the experimentation and use of early distillate- and gasoline-powered rail passenger trains, and was one of the first railroads to handle "piggyback" trucks on rail flats. It was known as a railroad that ran impressive two-mile long freight trains with sometimes a dozen locomotives.

The massive car and locomotive shops at Oelwein once employed 1,200 people. Some of the best and brightest mechanical minds at that time passed through Iowa, including an early shop superintendent named Walter Chrysler, who left Oelwein to later form the Chrysler Corporation.

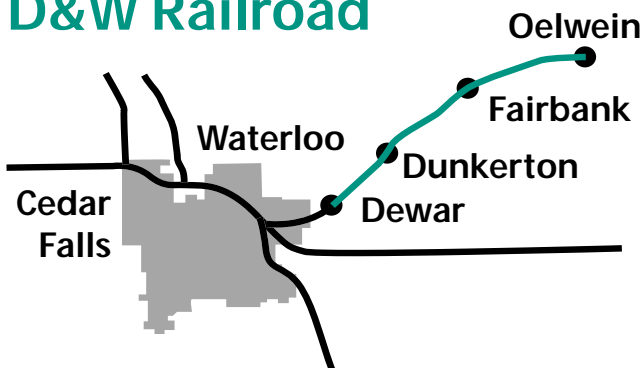
The Chicago Great Western was acquired by the Chicago North Western Railway in 1968, which was in turn acquired by the Union Pacific Railroad in 1995. Transco took over the old CGW repair shop on Aug. 1, 1969.

Currently, the Transco facility employs from 50 to 100 people, and is an important business partner in the community. In 2002 Transco received a \$234,000 loan from the Iowa Department of Economic Devel-



Grain is being loaded onto railcars in Dunkerton for the first time in nearly 20 years.

D&W Railroad



opment to preserve 58 jobs and add another 20 jobs, made possible through the preservation of rail service to the community. Other financial participants included the city of Oelwein, Fayette County, and Northeast Iowa Community College. This funding has been used to install 5,000 railroad ties in the line since the change in ownership.

In the first month of the new operation two restored rail shippers are already using the line. The elevators at Dewar and Dunkerton are shipping corn by rail to processors in Cedar Rapids for the first time in nearly 20 years. The new operator is aggressively working to attract additional customers to the line once more.

Over the past four decades much has changed, but with Transco's purchase of the line, rail tradition in Oelwein is preserved and the jobs of Transco employees are protected.